



## FISCAL UPDATE News Article

*Fiscal Services Division*

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### POSTSECONDARY EDUCATION REGISTRATION RECIPROCITY AGREEMENT APPROVED

**SARA.** The Midwestern Higher Education Compact (MHEC) has approved Iowa as the eighth state to join the Midwestern State Authorization Reciprocity Agreement (M-SARA). Legislation enacted in 2014 permitted Iowa to participate in State Authorization Reciprocity Agreements (SARA) administered by the four regional higher education compacts, including MHEC of which Iowa is a member. SARA is intended to simplify the process for colleges and universities wishing to offer distance education to students outside the state in which the school is operating.

**Consumer Protection.** In 2014, Iowa's application to SARA was deemed inadequate because it preserved the rights of Iowa students to rely on Iowa's consumer protection laws, including the right to a full tuition refund. Under SARA, a student seeking a refund must rely first on the laws of the state in which the school is operating. If that state does not guarantee a full refund, the student must rely on the provisions of their enrollment agreement with the school. As a result of [SF 501](#), enacted in 2015, Iowans will be able to seek a refund from the Attorney General in the event that the first two options do not result in a full refund. The enactment of this legislation allowed Iowa to resubmit the application to participate in SARA and receive approval.

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